N K TO UNDAR

44 EASTERN EUROPEAN INTELLIGENCER

OCI #0695/68 24 February 1968

Czechs Declare New Line on Budapest Conference

A 22 February Prague radio commentary in English has virtually declared that the Czechoslovak delegation to the forthcoming Budapest meeting will follow the Rumanian lead. Expressing sympathy for the Rumanian and Yugoslav view that criticism of individual parties should not be discussed at international Communist meetings, the broadcast emphasizes that "for this reason, the central committee of the party has instructed its delegation to the Budapest conference to work for real unity...in which the different conditions and courses of each party to socialism are respected."

Pointing out recent important changes toward "more democracy both within the party and society" in Czechoslovakia, the commentary stressed that these "will certainly give food for thought among the other parties, particularly since there is a similar situation in some of them." The commentary concluded that these changes in Czechoslovakia give the current celebrations of the 20th anniversary of the Communist takeover real significance and present an opportunity for a "reestimation of the past."

COMMENT: The commentary is a meaningful backdrop to the Czechoslovak party's radical program published yesterday and to party boss Dubcek's virtual declaration of independence in a speech made before the visiting party chiefs on 22 February. Saying that these developments give many other Eastern European leaders "food for thought" is a masterful understatement, since their nervousness over Czechoslovakia's future course will now clearly border on alarm.

Yugoslavs to Revise Constitution

A commission has started work on revision of the Yugoslav constitution. The new measures are to be presented to parliament early in June. Among the more important areas under consideration will be the relations between the federal and republic governments, a clearer definition of the competences of the federal organs and elevation of the federal assembly's council of nationalities to the formal status of a separate branch of the legislature. The electoral system will also be scrutinized and the term of office of all

GROUP I
EXCLUDED FROM AUTOMATIC DOWNGRADING AND DECLASSIFICATION
CONFIDENTIAL

Approved For Release 2008/09/03: CIA-RDP79B00864A000800010098-6

25X1

25X1

officials. which is now set at four years, extended to six.

COMMENT: The emphasis on federal-republic relations implies a further step toward transforming Yugoslavia into a confederation. Although constitutional amendments made in the spring of 1967 in effect increased the authority of the republics in certain policy areas, the Slovenes, Croats, and Macedonians are pressing for even greater republic autonomy, including more local control of economic policy. Overhauling the electoral procedures could precipitate a struggle between the more extreme liberals, who want more freedom of choice within the Yugoslav system and moderates who fear a popular conservative resurgence or a questioning of the regime's legitmacy under freer conditions.

Hungary Signs UN Agreement For Management Center

The International Labor Organization (ILO) acting as executive agency for the United Nations Development Program (UNDP) has reached an agreement with the Hungarian Ministry of Labor to open a management development center in Budapest. The center will advise on management problems, provide a central information and documentation center, conduct research and build up a strong base of teaching materials. The focal point of these functions will be a \$650,000 computer provided by UNDP. The center will be administered by a board of Hungarians under the supervision of the Ministry of Labor. Hungary will pay 4.5 million dollars and the UNDP will absorb the rest of the 5.9 million dollar cost of the center.

25X1

COMMENT: Decentralization of some sectors of the economic decision making process in Hungary has placed a high premium on raising the relatively retarded field of management training to an important priority. The Hungarians have recognized that such training is generally unavailable in the Communist world and have decided to introduce western management procedures.

Polish Party Plenum Postponed

The party's 11th plenum, originally scheduled for 21
February has been postponed
until 27 February, the day after the opening of the forthcoming Budapest conference. The Polish press announced that
the plenum agenda will consist of the problems of foreign

25X1

CONFIDENTIAL

25X1

trade, and the adoption of a resolution on calling the party fifth congress, which most sources agree will be held in December.

COMMENT:

25X1

the plenum was first rescheduled for 23-24 February for unknown reasons, and then postponed again because of Gomulka's attendance at the 20th anniversary celebrations in Prague. The convening of the plenum on 27 February suggests that Politburo member Kliszko, who is expected to lead the Polish delegation to Budapest, may return to Warsaw immediately after the opening of the international meeting.

US Deserter Arrives in Yugoslavia

Tihomir Momirovic, who left Yugoslavia as a boy and has been serving in the US Army in Vietnam, arrived in Belgrade on 20 January after deserting his unit, according to the tabloid Vercernje Novosti. The newspaper plans to run a series of articles about this "escapee from the Vietnam hell." (UNCL, Belgrade 2660; 21 Feb)

25X1

Dutch Economic Group in Warsaw

a 60-member Dutch economic delegation has been holding top-level talks in Warsaw since 17 February. Disucssions on the expansion of mutual trade and commercial relations have been held with Deputy Premier and economic expert Jaroszewicz, Foreign Trade Minister Trampczynski, and Deputy Foreign Minister Naszkowski, among others.

25X1

25X1

COMMENT: The talks undoubtedly concern the implementation of the economic and scientific-technical agreements signed in Warsaw last August by visiting Dutch Foreign Minister Luns. Polish-Dutch economic relations, including various licensing and marketing ventures were well-developed even before then, however, and go hand in hand with the gradual warming of political relations between Poland and some smaller NATO countries, like Belgium and Denmark, for example.

25X1

NOTE: THE VIEWS EXPRESSED ABOVE REPRESENT ONLY THE ANALYSIS OF THE EE DIVISION CONFIDENTIAL